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Kathleen Mechem, BCACC
Schauer/ Jobs and Economic Security Task Force Testimony

I am Kathleen Mechem, President and CEO of the Battle Creek Area Chamber of Commerce. As the largest business organization in Calhoun County, the Battle Creek Area Chamber of Commerce represents approximately 850 members. Our mission is to provide member services, business advocacy and representation. Maintaining a strong business economy is important to our members. A significant number of our members are small business owners with fewer than 10 employees.

The Battle Creek Area Chamber of Commerce would like to express our support of the Michigan Economic Development Corporation (MEDC) and its work in attracting and maintaining businesses in the State of Michigan. It is our understanding that, during the last state budget cycle, there was discussion of eliminating Governor's Granholm's proposal of \$60 million for the MEDC upcoming fiscal year budget.

The Chamber, a Corporate Partner of the MEDC, strongly encourages you to oppose any legislation that might address eliminating the MEDC's budget. This state agency has been instrumental in recruiting and maintaining businesses in the State of Michigan and positively affecting our state's and community's economic climate. The MEDC has also been very helpful in working with the Legislature to pass several economic tools that the City of Battle Creek and surrounding areas, our chamber members, and Battle Creek Unlimited have been able to use such as the Business Improvement Districts (BID), Brownfield Redevelopment, Industrial Facilities Tax Abatements, Renaissance Zones, and much more. The use of these tools has assisted our members in creating and retaining jobs in Battle Creek and the surrounding areas.

Historically, the Chamber supported bills that would preempt local governments from establishing "living wage" ordinances. While it may appear that living wage ordinances directly affects only some businesses, we believe it eventually will affect all businesses in a county region. As the largest business organization in Calhoun County, our concerns with living wage ordinances include local inflationary pressure, higher local taxes, and difficulty in attracting business investment to the community. The Chamber strongly encourages you not to support any living wage legislation which would promote the expansion of living wage ordinances.

The chamber supports strengthening telecommunications capabilities in the area and believes this will enhance economic development. Battle Creek is making much progress locally but state support is essential as well.

The chamber represents many small businesses. The issue of increasing health care costs and the impact on the cost of doing business is critical for all businesses. We have heard some of our smaller members that they can no longer afford to purchase health care coverage for their employees. We are concerned that these increasing costs negatively affect employee attraction and retention as well as adversely affect business growth.

As business leaders, the Chamber of Commerce is interested in quality of life issues such as the quality of education. Our area has had difficulty in passing school millages addressing deteriorating school infrastructure. Schools need to be adequately financed to ensure the quality of education but also an adequate school infrastructure. Addressing this combination of needs will create a strong future workforce as well attract and retain businesses.

Thank you for the opportunity to provide these comments to you.

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